

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF)	CASE NO. 6602-X
EQUITABLE GAS COMPANY)	

O R D E R

On December 8, 1976, the Commission issued its Order in Case No. 6602, approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On July 5, 1984, Equitable Gas Company ("Equitable") notified the Commission that it has received a refund from Kentucky West Virginia Gas Company ("Kentucky West"). The refund is the result of a rate settlement effective November 1, 1983.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Equitable has received a refund in the amount of \$69,761 from its supplier to be refunded to its customers.

(2) Equitable over-refunded a total of \$30,853 as a result of refund factors initiated in Case Nos. 6602-S and 6602-T and eliminated April 30, 1984.

(3) Equitable should refund the net amount reported in its application plus interest at a rate equal to the average of the

"3-Month Commercial Paper Rates" for the immediately preceding 12-month period less 1/2 of 1 percent to cover the cost of refunding. These monthly rates are reported in the Federal Reserve Bulletin and the Federal Reserve Statistical Release.

(4) A refund factor of \$0.0633 per Mcf should be used as a reduction in the purchased gas adjustment for a period of 12 months or until such time as the full amount plus interest has been refunded to Equitable's customers. The refund should begin with meter readings taken on August 1, 1984, or as soon as practical thereafter.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with meter readings on and after August 1, 1984.

IT IS FURTHER ORDERED that the authorized rates shall include a refund factor of \$0.0633 per Mcf as a reduction in the approved purchased gas adjustment beginning with meter readings taken on August 1, 1984, or as soon as practical thereafter, and this refund factor shall remain in effect until such time as necessary so that the total amount refunded will, as nearly as possible, reflect the amount received. The refund factor will terminate when the amount refunded equals the refund herein reported plus interest.

IT IS FURTHER ORDERED that within 30 days of the date the refund factor is terminated Equitable shall file with this Commission a summary statement showing a reconciliation of customer billings and the amount refunded.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Equitable shall file with this Commission its revised tariffs setting out the rates and refund factor authorized herein.

Done at Frankfort, Kentucky, this 1st day of August, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 6602-X DATED 8/1/84

The following rates and charges are prescribed for the customers served by Equitable Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

First	2 Mcf	\$4.2427 per Mcf
Next	18 Mcf	4.0577 per Mcf
Next	30 Mcf	4.0027 per Mcf
Next	50 Mcf	3.9527 per Mcf
All Over	100 Mcf	3.9027 per Mcf

These rates include a refund factor of \$0.0633 per Mcf effective August 1, 1984, and continuing for 12 months or until Equitable has discharged its refund obligation from Case No. 6602-X.

The base rate for the future application of the purchased gas adjustment clause of Equitable Gas Company shall be:

Kentucky West Virginia Gas Company	Commodity
	\$3.6759/dth*

*Including \$0.0125 Gas Research Institute Funding Charge